

South Carolina Board of Economic Advisors

Statement of Estimated State Revenue Impact

Date: March 31, 2008

Bill Number: H.B. 4774

Authors: Littlejohn; Brantley; Whipper; Anthony, *et. al.*

Committee Requesting Impact: House Ways & Means Committee

Bill Summary

A bill to amend the Code of Laws of South Carolina, 1976, by adding Section 12-6-3750 so as to provide for a nonrefundable income tax credit for any meat packer, butcher, or processing plant licensed or permitted by this state or the United States Department of Agriculture that, during the tax year for which the credit is claimed, had a valid contract with a nonprofit organization to process deer for donation to any charitable organization engaged in distributing food to the needy, and to provide that the amount of the credit shall be fifty dollars for each carcass processed and donated.

REVENUE IMPACT ^{1/}

This bill is expected to reduce General Fund individual income tax revenue by an estimated \$75,000 in FY2008-09.

Explanation

This bill would add Section 12-6-3750 to allow a meat packer, butcher, or processing plant licensed or permitted by the state or the USDA a nonrefundable income tax credit of fifty dollars for processing and donating deer meat to any charitable organization that distributes food to the needy. The credit must be claimed in the year earned and may not be carried forward to any other taxable year. The South Carolina Hunters and Landowners for the Hungry and the Farmers and Hunters Feeding the Hungry are programs where hunters may donate deer meat to area processors which grind the venison and donate the processed meat to area food banks. Each deer provides about forty-five pounds of meat. The meat processor would receive an income tax credit to offset the cost of processing the meat. During the past three years, the SC Hunters for the Hungry have donated an average of 40,900 pounds of venison. Multiplying an estimated 1,500 deer donated for processing at area meat processors and donated to local food banks by a \$50 income tax credit yields a reduction of General Fund individual income tax revenue by an estimated \$75,000 in FY2008-09.

/s/ WILLIAM C. GILLESPIE, PH.D.

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^{1/} This statement meets the requirement of Section 2-7-71 for a state revenue impact by the BEA, or Section 2-7-76 for a local revenue impact or Section 6-1-85(B) for an estimate of the shift in local property tax incidence by the Office of Economic Research.